



RECEIVER
FOR QUAPAW HOUSE, INC.

To: Staff of Quapaw House, Inc.

From: Patrick G. McCabe, Jr.
President and CEO

Date: May 7, 2020

Subject: Transitioning of Patients

Dear Dedicated Staff Member:

Levi Hospital was appointed Receiver by the court system on Wednesday, April 29, 2020. We were first on-site Thursday, April 30, and have been impressed with the dedication and compassion that the caregivers provide to the clients and the Mission of the Organization. As I indicated to a number of you, Monday afternoon, May 4, there are some significant challenges for Quapaw House, Inc. (QHI) on a financial basis. Despite the efforts of Staff, there is insufficient time and funds necessary to properly serve QHI's patient population in the near or long term. Current operations are not sufficient to satisfy mounting unpaid bills; debt owed to the IRS, Malvern National Bank, other lenders; and at the same time ensure that Staff Members are paid for services rendered.

Arkansas DHS has been informed of the dire financial state of QHI and, due to the uncertainty of future operations, is assisting with ensuring patients are transitioned to another appropriate provider of care. Consequently, Program Leadership is being directed to place patients with another appropriate provider. Our immediate goal is to safeguard the wellbeing of the patients with continued care and to ensure that the staff members are paid for their services rendered.

There will be a small group of employees that will remain to aid in the continued transition following patient placement. The Care Teams at QHI are second to none and the services rendered were much needed throughout the catchment area.

I know this is not what you wished to hear, but the financial resources of QHI do not allow an alternative.

Thank you.